

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into
Implementation of Assembly Bill 970 Regarding
the Identification of Electric Transmission and
Distribution Constraints, Actions to Resolve
Those Constraints, and Related Matters
Affecting the Reliability of Electric Supply.

Investigation 00-11-001
(Filed November 2, 2001)

Conditional Application of PACIFIC GAS AND
ELECTRIC COMPANY (U 39 E) for a Certificate
of Public Convenience and Necessity
Authorizing the Construction of the Los Banos-
Gates 500 kV Transmission Project.

Application 01-04-012
(Filed April 13, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING
REQUIRING ADDITIONAL INFORMATION ON STATUS
OF TRANSMISSION PROJECTS
AND NOTICE OF FURTHER PREHEARING CONFERENCE**

The purpose of this ruling is to update the transmission status reports submitted by Pacific Gas & Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE), collectively referred to as "the utilities," and to set a further prehearing conference in this investigation.

Updating Transmission Status Reports

The utilities currently file monthly status reports in this proceeding. The Commission initially required these reports to (1) monitor utility performance in bringing 31 new transmission projects on line to relieve system congestion by summer 2001, (2) report progress on remedial action schemes taken to improve

transmission access and the system's ability to meet electricity demands, and (3) to monitor the completion of utility interconnection agreements with new generation projects. (See Decision (D.) 01-03-077, Ordering Paragraph 2). In addition, during the course of this proceeding I have directed the utilities to include in these reports additional information on the status of selected transmission projects designed to address system constraints on a longer-term basis.¹

It is time to augment these reports with updated status information on all the transmission projects identified by the Commission as needed over the 2002-2005 period. A list of these projects, by utility, is appended to D.01-03-077 as Table 4. Any additional transmission projects over the 2002-2005 time period identified since the issuance of D.01-03-077 should be included. The utilities should update the project cost information. I direct the utilities to work with Energy Division to develop a consistent tabular format for summarizing the status of each project, in terms of environmental review, need assessment and status of construction. The format should include information on whether General Order 131-D applies based on concurrence by Energy Division with the utility's assessment. Other information that Energy Division determines will be useful to the Commission in tracking project status should be included.

The utilities should submit this additional information beginning with their May 1, 2002 status reports, and continue on a monthly basis until further direction.

Prehearing Conference

¹ See, for example, my ruling dated July 19, 2001.

The PHC will be held at 10:00 a.m. on Wednesday, May 15, 2002 at the Commission Courtroom, State Office Building, 505 Van Ness Avenue, San Francisco, California. I anticipate that it will continue into the afternoon.

The purpose of the PHC is to determine the scope and schedule for additional evidentiary hearings to evaluate transmission constrained areas on the electric system. The PHC will be conducted similar to the ones held previously in this proceeding. After some preliminaries, we will take a break and the Energy Division will coordinate a meeting among interested PHC attendees to discuss the projects to be evaluated, and develop a list of priorities for my consideration during the PHC.

As I stated in earlier rulings, not all transmission planning issues can be addressed at once because of limited time and resource availability. We have completed our evaluation of the Southwest Power Link and the economic evaluation of Miguel-Mission and Imperial Valley upgrades has been submitted. We have just completed evidentiary hearings on the economic benefits of Path 15 and I will schedule further evidentiary hearings on cost and benefit allocation once the signed MOU implementation agreements are available, per the schedule set forth in my December 28, 2001 ruling. We are in the process of evaluating the Valley-Rainbow project through a separate application for a Certificate of Public Convenience and Necessity (CPCN). We expect the CPCN for Jefferson-Martin to be filed in September, 2002, at which time the Commission will establish a schedule for testimony and evidentiary hearings.

In addition, I plan to hold additional evidentiary hearings this summer to address other high priority transmission issues. The hearings may initiate a CPCN process for one or more transmission projects, may address generic ratepayer/economic valuation issues, or other topics, as appropriate. The purpose of the PHC will be to specifically delineate the scope and schedule for

these hearings. Respondents and interested parties should submit PHC statements addressing these issues. In particular, I direct that the following information be included in the PHC statements:

- The California Independent System Operator (ISO) should present an updated schedule for the completion of its short-term and long-term study plans for Path 26 expansion. As directed in my December 28, 2001 ruling, the ISO should submit these studies in this proceeding, upon completion.
- The ISO should report on the status of its RFP process and consultant report on a methodology for the economic analysis of large transmission additions.
- SCE should describe the status of its conceptual study addressing constraints in the Tehachapi area, and submit the study if it is completed.
- SDG&E should describe the status of the study assessing the need for further Path 45 upgrades, and submit the study if it is completed. As directed in my December 28, 2001 ruling, SDG&E should include a statement as to what costs of the project, if any, will be borne by SDG&E ratepayers.
- PG&E and the City and County of San Francisco should report on progress to date with their discussions addressing San Francisco-Peninsula area transmission constraints. PG&E should confirm the schedule for its CPCN application for Jefferson-Martin and for the economic study of transmission upgrades in the Greater Bay Area.
- PG&E should report on the status of the Path 15 MOU implementation agreements.

These statements are to be filed at the Commission's Docket Office and copies sent to me electronically and via US mail on or before May 8, 2002. Hard copies should be mailed to me at PO Box 210, Volcano, CA 95689. Parties submitting PHC statements should also send electronic copies to all parties on the service list that have provided email addresses, and bring 30 extra hard copies to distribute at the PHC (hard copy service is not required).

Service List

I am retaining the existing service list in this proceeding. Those appearing for the first time at the PHC may be added to the list by filling out an appearance form.

The current service list for this proceeding is available on the Commission's web page, www.cpuc.ca.gov. To obtain an up-to-date service list of electronic mail addresses:

- On the "Legal Documents" bar choose "Service Lists".
- Scroll through the "Index of Service Lists" to the number for this proceeding (or click "edit," "find," type in I0011001 and click "find next").
- To view and copy the electronic addresses for a service list, download the comma-delimited file, and copy the column containing the electronic addresses.

IT IS SO RULED.

Dated April 2, 2002, at San Francisco, California.

/s/ MEG GOTTSTEIN
Meg Gottstein
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Requiring Additional Information on Status of Transmission Projects and Notice of Further Prehearing Conference on all parties of record in this proceeding or their attorneys of record.

Dated April 2, 2002, at San Francisco, California.

/s/ ERLINDA PULMANO

Erlinda Pulmano

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.